

**CALCASIEU PARISH PUBLIC
TRUST AUTHORITY**

Financial Statements and Schedules

With Independent Auditors' Report

May 31, 2003 and 2002

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Calcasieu Parish Public Trust Authority
Lake Charles, Louisiana

We have audited the accompanying statements of net assets of the Calcasieu Parish Public Trust Authority (the Authority), a component unit of the Calcasieu Parish Police Jury, as of May 31, 2003 and 2002, and the related statements of revenues, expenses and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards of the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Calcasieu Parish Public Trust Authority as of May 31, 2003 and 2002, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles of the United States of America.

As discussed in note 1 to the financial statements, the Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for the State and Local Governments*, in 2003.

The Management's Discussion and Analysis on pages 3 through 6 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express not opinion on it.

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included on pages 23 through 29 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2003 on our consideration of Calcasieu Parish Public Trust Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws and regulations, contracts, and grants.

November 14, 2003

Langley, Witham & Co., LLP.

Calcasieu Parish Public Trust Authority

Management's Discussion and Analysis

May 31, 2003 and 2002

This section of the Calcasieu Parish Public Trust Authority's (the Authority) financial report presents a discussion and analysis of the Authority's financial performance during the fiscal year that ended May 31, 2003. Please read it in conjunction with the Authority's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Authority implemented GASB 34 *Basic Financial Statements – and Management's Discussion and Analysis for the State and Local Governments*, in fiscal year 2003. The Authority is a component unit of the Parish of Calcasieu, Louisiana.

The Authority's equity represents 11.7% of its assets. With total assets approximating \$39,194,340, the Authority had changes in net assets of \$288,572 for the fiscal year ended May 31, 2003, a return of 0.634% on average assets.

The Authority's financial highlights include:

- The Authority liquidated its 1991 Program's mortgage loans receivable in 2002 and bonds payable in early fiscal year 2003.

The Authority's net assets decreased from \$4,871,163 to \$4,582,591 as of May 31, 2003.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements, and supplementary information.

The financial statements provide both long-term and short-term information about the Authority's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

The Authority's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenues, Expenses, and Changes in Net Assets. All assets and liabilities associated with the operation on the Authority are included in the Statements of Net Assets.

Calcasieu Parish Public Trust Authority

Management's Discussion and Analysis

May 31, 2003 and 2002

OVERVIEW OF THE FINANCIAL STATEMENTS – (Continued)

Statements of Net Assets report the Authority's net assets. Net assets, the difference between the Authority's assets and liabilities, are one way to measure the Authority's financial health or position.

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Assets

The Authority's total net assets at May 31, 2003 were \$4,582,591, a slight decrease of 5.9% from net assets as of May 31, 2002 in the amount of \$4,871,163 (See Table A-1). Total assets decreased 24% to \$39,194,340, and total liabilities decreased 26.2% to \$34,611,749.

Table A-1
Calcasieu Parish Public Trust Authority
(in thousands of dollars)

	<u>2003</u>	<u>2002</u>	<u>Increase (Decrease)</u>
Cash and cash equivalents	\$ 1,739	\$ 9,782	\$ (8,043)
Loans, mortgage-backed securities and investments	36,787	41,161	(4,374)
Other assets	<u>668</u>	<u>847</u>	<u>(179)</u>
Total assets	39,194	51,790	(12,596)
Other liabilities	324	564	(240)
Bonds payable	<u>34,287</u>	<u>46,355</u>	<u>(12,062)</u>
Total liabilities	34,611	46,919	(12,308)
Net Assets, principally restricted for debt	<u>4,583</u>	<u>4,871</u>	<u>(288)</u>
Total liabilities and net assets	\$ <u>39,194</u>	\$ <u>51,790</u>	\$ <u>(12,596)</u>

Total assets decreased by \$12,596,082 due to the utilization of cash to liquidate the 1991 program and the payments received on mortgage loans receivable and investment securities. Likewise, bonds payable decreased by payments of principal on debt of all programs.

Calcasieu Parish Public Trust Authority

Management's Discussion and Analysis

May 31, 2003 and 2002

Changes in Net Assets

The change in net assets at May 31, 2003 was a decrease of \$288,572 compared to an increase of \$278,615 at May 31, 2002. Total operating revenues decreased by 15.6% to \$2,363,215 and total operating expenses increased 6.0% to \$2,798,360. The changes in net assets are detailed in Table A-2, operating expenses are detailed in Table A-3.

The decrease in net assets is primarily a result of the liquidation of the 1991 program, and the decrease in operating revenues and the increase in operating expenses.

Table A-2
Calcasieu Parish Public Trust Authority's Changes in Net Assets
(in thousands of dollars)

	<u>2003</u>	<u>2002</u>	<u>Increase (Decrease)</u>
Operating revenues:			
Investment income	\$ 2,116	\$ 2,801	\$ (685)
Other	<u>90</u>	<u>117</u>	<u>(27)</u>
Total operating revenues	2,206	2,918	(712)
Operating expenses	<u>2,494</u>	<u>2,640</u>	<u>146</u>
Change in net assets	(288)	278	(566)
Total net assets, beginning of the year	<u>4,871</u>	<u>4,593</u>	<u>278</u>
Total net assets, end of the year	\$ <u>4,583</u>	\$ <u>4,871</u>	\$ (<u>288</u>)

Investment income decreased 24.5% to \$2,116,185. The decrease in revenue is primarily a result of the liquidation of the 1991 program. Investment income on mortgage loans decreased as result of a lower average of outstanding loan balances in 2003.

Calcasieu Parish Public Trust Authority

Management's Discussion and Analysis

May 31, 2003 and 2002

Table A-3
Calcasieu Parish Public Trust Authority's Operating Expenses
(in thousands of dollars)

	<u>2003</u>	<u>2002</u>	<u>Increase (Decrease)</u>
Interest on debt	\$ 2,106	\$ 2,297	\$ (191)
Amortization of bond issuance and other costs	124	136	(12)
Servicing fees	20	26	(6)
Other	<u>244</u>	<u>181</u>	<u>63</u>
Total operating expenses	\$ <u>2,651</u>	\$ <u>2,640</u>	\$ <u>146</u>

DEBT ADMINISTRATION

Debt Administration

Total indebtedness for bonds payable was \$34,287,279 as of May 31, 2003 compared to \$46,354,986 as of May 31, 2002. The decrease in bonds payable is the result of ordinary payments on the bonds and the early liquidation of the 1991 program. The Authority did not issue any long-term bonds in 2003.

All bond debt covenants have been met.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, patrons, and other interested parties with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Calcasieu Parish Public Trust Authority at (337) 437-3520.

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Statements of Net Assets

May 31, 2003 and 2002

Assets	<u>2003</u>	<u>2002</u>
Cash and cash equivalents	\$ 1,738,535	\$ 9,782,058
Investment securities at fair value	10,657,950	13,925,276
Mortgage loans receivable and mortgage-backed securities	26,076,852	27,235,965
Accrued interest receivable	82,395	85,908
Real estate acquired from foreclosures	52,637	52,637
Bond issuance costs	578,064	708,289
Other assets	<u>7,908</u>	<u>289</u>
Total assets	<u>\$ 39,194,340</u>	<u>\$ 51,790,422</u>
 Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 8,653	\$ 13,768
Bonds payable	34,287,279	46,354,986
Accrued interest payable	<u>315,817</u>	<u>550,505</u>
Total liabilities	34,611,749	46,919,259
Net Assets:		
Restricted for debt	2,161,821	4,073,275
Unrestricted	<u>2,420,770</u>	<u>797,888</u>
Total net assets	<u>4,582,591</u>	<u>4,871,163</u>
Total liabilities and net assets	<u>\$ 39,194,340</u>	<u>\$ 51,790,422</u>

See accompanying notes to financial statements.

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Statements of Revenues, Expenses
and Changes in Net Assets

For the Years Ended May 31, 2003 and 2002

	2003	2002
Operating revenues:		
Investment income on mortgage loans	\$ 1,625,119	\$ 1,606,025
Investment income on investments	491,066	1,194,952
Commitment fees	85,165	100,495
Gain on sale of mortgage loans	4,271	-
Net recoveries from foreclosures	-	16,726
Total operating revenues	2,205,622	2,918,198
Operating expenses:		
Interest on debt	2,106,277	2,296,969
Amortization of bond issuance costs and other costs	124,267	135,795
Servicing fees	20,589	25,974
Mortgage loan insurance costs	9,213	7,243
Trustee fees	36,916	24,944
Accounting and auditing fees	21,595	21,200
Depreciation expense	289	403
Other operating expenses	175,047	127,055
Total operating expenses	2,494,194	2,639,583
Change in net assets	<u>\$ (288,572)</u>	<u>\$ 278,615</u>

See accompanying notes to financial statements.

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Statements of Fund Equity

For the Years Ended May 31, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Retained Earnings:		
Balance at beginning of year	\$ 2,473,040	\$ 2,181,019
Change in net assets	(288,572)	278,615
Prior period adjustment	<u>-</u>	<u>13,406</u>
Balance at end of year	2,184,468	2,473,040
Paid-in Capital		
Balance at beginning of year	2,398,123	2,398,123
No activity	<u>-</u>	<u>-</u>
Balance at end of year	<u>2,398,123</u>	<u>2,398,123</u>
Total Fund Equity	4,582,591	4,871,163
Fund equity reserved under provisions of bond indentures	<u>(2,161,821)</u>	<u>(4,073,275)</u>
FUND EQUITY, unreserved	<u>\$ 2,420,770</u>	<u>\$ 797,888</u>

See accompanying notes to financial statements.

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Statements of Cash Flows

For the Years Ended May 31, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Cash Flows From Operating Activities:		
Change in net assets:	\$ (288,572)	\$ 278,615
Adjustments to reconcile to net cash provided by (used in) operating activities:		
Amortization, net of accretion	(22,328)	30,329
Net recovery from foreclosures	-	(16,726)
Depreciation expense	289	338
Net changes in:		
Accrued interest receivable	3,510	96,335
Accounts payable	(5,115)	(3,264)
Accrued interest payable	(234,688)	(121,132)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(546,904)	264,495
Cash Flows From Financing Activities:		
Proceeds from issuance of bonds	-	10,823,250
Principal payments on bonds	(11,901,135)	(10,254,911)
Deferred financing costs	(27,884)	(259,794)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(11,929,019)	308,545
Cash Flows From Investing Activities:		
Collections of mortgage loans receivable	4,257,287	1,295,581
Proceeds from sales of other real estate	-	92,578
Proceeds from investment securities maturities	18,714,559	32,317,813
Purchases of investment securities	(18,539,446)	(24,985,900)
NET CASH PROVIDED BY INVESTING ACTIVITIES	4,432,400	8,720,072
Net increase (decrease) in cash	(8,043,523)	9,293,112
Cash and cash equivalents, beginning of year	9,782,058	488,946
Cash and cash equivalents, end of year	\$ 1,738,535	\$ 9,782,058

Supplemental Disclosure: Cash paid for bond interest was \$2,340,965 and \$2,418,101 in 2003 and 2002, respectively.

See accompanying notes to financial statements.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

1. Organization:

The Calcasieu Parish Public Trust Authority was created through a trust indenture dated May 14, 1979, pursuant to provisions of Chapter 2-A of Title 9 of the Louisiana Revised Statutes of 1950, as amended. The Authority is a legal entity separate and apart from the parish government, although the parish government is the ultimate beneficiary of all residuals of the trust estate. The initial legislation and subsequent amendments grant the Authority the right to obtain resources to promote the financing and development of any essential program conducted in the public's interest within the boundaries of Calcasieu Parish, Louisiana. The Authority's primary activities involve the issuance of bonds to obtain resources for the purpose of assisting in the financing of housing needs for persons of low and moderate incomes in Calcasieu Parish.

The bonds are solely the obligations of the Authority and are payable from revenues derived from mortgage loans, mortgage-backed securities and investments acquired pursuant to the indentures to which such bonds relate. The bonds are not obligations of Calcasieu Parish or any other governmental entity.

The Authority is managed by a Board of Trustees empowered to contract with outside parties to conduct the operations of the various programs. The Authority also contracts with national banking institutions to serve as trustee for each of its bond programs or as its custodial bank for the Authority's unrestricted resources.

The financial statements of the individual bond funds are presented on a combined basis. All interfund transactions have been eliminated. The Authority maintains a separate self-balancing set of books (a fund) for each bond program and an operating fund to account for its unrestricted assets. The assets of each individual bond fund are restricted under the related bond indentures. Accordingly, the combined totals on the financial statements are not intended to indicate that the combined assets are available for any purpose due to the contractual restrictions imposed on certain assets and the income derived therefrom. Additionally, the combined totals do not present consolidated financial information. Included in the totals are unrestricted assets that are available to the Authority for its unrestricted use.

2. Summary of Significant Accounting Policies:

Change in Accounting

The Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (Statement 34) in 2003. Statement 34 established financial reporting standards for all state and local governments and related entities. Statement 34 primarily related to presentation and disclosure requirements and had no impact on total net assets presented. The impact of adopting Statement 34 was on the presentation of net assets and the inclusion of management's discussion and analysis.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

2. Summary of Significant Accounting Policies: (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as applicable to governments. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses, excluding depreciation and amortization, are recorded when a liability is incurred, regardless of the timing of related cash flows. The Authority has no government or fiduciary funds.

The Authority used fund accounting to report its financial position and results of operations. The accounts of the Authority are organized on the basis of individual programs. The Programs, which are administered by a trustee bank, provide for a separate set of self-balancing accounts, which account for bonds issued, debt service and bond redemption requirements, investments, and related revenues and operating expenses. These individual Programs are aggregated in the financial statements to comprise the fund of the Authority.

The Authority's accounts are organized into a single proprietary fund. The enterprise fund (a proprietary fund) is used to account for operations (a) that are operated in a manner similar to private business where the intent of the governing body is that the cost (expense, including depreciation) of providing goods and services to the general public is financed or recovered primarily through user charges or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred and/or changes in net assets is appropriate for capital maintenance.

The Authority's principal operating revenues are the interest and appreciation (depreciation) related to investments and mortgages/mortgage-backed securities. The Authority applies all applicable FASB pronouncements issued on or before November 30, 1989 in accounting for its operations unless those pronouncements conflict or contradict GASB pronouncements.

The Authority's financial statements are presented in accordance with generally accepted accounting principles adopted by the Governmental Accounting Standards Board (GASB) as applicable to all state and local governments.

Cash Equivalents

Cash and cash equivalents are stated at cost which approximates fair market value. For financial statement purposes, the Authority considers cash, demand deposits, certificates of deposit and debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

2. Summary of Significant Accounting Policies: (Continued)

Investment Securities

Bonds and notes are carried at cost, adjusted for premiums and discounts that are recognized in interest income using the interest method over the period to maturity. The Board intends to hold such investments to maturity. Gains and losses on the sale of investments are determined using the specific-identification method.

Mortgage-Backed Securities

Mortgage-backed securities are stated at cost, adjusted for amortization of premiums and accretion of fees and discounts using a method that approximates level yields. These securities are issued by the Government National Mortgage Association (GNMA) or the Federal National Mortgage Association (FNMA). Such securities are backed by mortgage loans originated in Calcasieu Parish, Louisiana. Monthly payments of principal and interest are passed through to the Authority to finance debt service payments and other administrative costs. The Authority has adequate liquidity and capital, and it is generally the Board's intention to hold such assets to maturity. Should any be sold, gains and losses will be recognized based on the specific identification method.

Mortgage loans receivable

Mortgage loans receivable are stated at unpaid principal balances, less the deferred revenues received for its commitment to purchase the loans. The deferred revenues are amortized over the life of the loan and recognized as a component of interest income. In the event of an extraordinary mandatory redemption of the bonds due to nonorigination of mortgage loans, the entire unamortized balance is recognized as commitment fee income.

The allowance for loan losses is increased by charges to income and recoveries and decreased by charge-offs. Management's periodic evaluation of the adequacy of the allowance is based on the Authority's past loan loss experience, current economic conditions, insurance protection provided against possible loan losses and any other factors which require consideration in estimating such losses.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

2. Summary of Significant Accounting Policies: (Continued)

Real Estate Acquired Through Foreclosures

Real estate properties acquired through loan foreclosure are initially recorded at the unpaid principal balance of the loan. Costs relating to improving the property are capitalized. This real estate must be restored to its original condition, normal wear and tear expected, before the mortgage insurance coverage applies. The excess of the unpaid principal and accrued interest balances over sales proceeds realized is reimbursed under various insurance coverages.

Deferred Financing Costs

The cost of issuing mortgage revenue bonds are deferred and amortized over the life of the bonds as a financing expense. In the event all remaining bonds outstanding under a particular issue are retired, the unamortized balance is recognized as a component of the loss from the early extinguishment of debt.

Bond Discounts

Original issue discounts realized upon issuance of bonds are deferred and presented as a reduction of the face amount of bonds payable on the balance sheet. The deferred amount is amortized over the life of the bonds as a component of interest expense. In the event all remaining bonds outstanding under a particular issue are retired, the unamortized balance is recognized as a component of the loss from the early extinguishment of debt.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and changes in net assets during the reporting period. Actual results could differ from those estimates.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

3. Cash and Cash Equivalents:

The Authority had cash and cash equivalents totaling \$1,738,535 and \$9,782,058 at May 31, 2003 and 2002, respectively. The FDIC insured cash and cash equivalents in the amount of \$280,603 and \$431,035 at May 31, 2003 and 2002, respectively. The remaining balance of \$1,462,327 and \$9,359,920 at May 31, 2003 and 2002 was uninsured and uncollateralized (GASB Category 3). Uncollateralized deposits include balances that are collateralized with securities held by the pledging financial institution, or its trust department or agent, but not in the Authority's name.

4. Investment Securities:

The permissible types of investments under the various bond programs are governed by the underlying bond indentures. The Authority's investments are categorized to give an indication of the level of risk assumed by the Authority at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Authority's name. Category 3 includes uninsured and unregistered investments which are unsecured. Unsecured investments include securities held for the Authority but not in its name.

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

4. Investment Securities: (Continued)

May 31, 2003

	Category <u>3</u>	Carrying <u>Value</u>	Market <u>Value</u>
U.S. Treasury Notes	\$ 423,871	\$ 423,871	\$ 432,479
Investment Agreements	9,945,735	9,945,735	9,945,735
FHLB	106,514	106,514	109,749
FHLMC	<u>181,830</u>	<u>181,830</u>	<u>184,691</u>
Totals	\$ <u>10,657,950</u>	\$ <u>10,657,950</u>	\$ <u>10,672,654</u>

May 31, 2002

	Category <u>3</u>	Carrying <u>Value</u>	Market <u>Value</u>
U.S. Treasury Notes	\$ 320,497	\$ 320,497	\$ 324,088
Investment Agreements	13,437,105	13,437,105	13,437,105
FHLB	85,909	85,909	89,216
FHLMC	<u>81,765</u>	<u>81,765</u>	<u>81,957</u>
Totals	\$ <u>13,925,276</u>	\$ <u>13,925,276</u>	\$ <u>13,932,366</u>

The amortized cost and approximate market value of investment securities are:

May 31, 2003

	Amortized <u>Cost</u>	Unrealized <u>Gain (Loss)</u>	Market <u>Value</u>
U. S. Treasury Notes	\$ 423,871	\$ 8,608	\$ 432,479
Investment Agreements	9,945,735	-	9,945,735
FHLB	106,514	3,235	109,749
FHLMC	<u>181,830</u>	<u>2,861</u>	<u>184,691</u>
	\$ <u>10,657,950</u>	\$ <u>14,704</u>	\$ <u>10,672,654</u>

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

4. Investment Securities: (Continued)

May 31, 2002

	Amortized <u>Cost</u>	Unrealized <u>Gain (Loss)</u>	Market <u>Value</u>
U. S. Treasury Notes	\$ 320,497	\$ 3,591	\$ 324,088
Investment Agreements	13,437,105	-	13,437,105
FHLB	85,909	3,307	89,216
FHLMC	<u>81,765</u>	<u>192</u>	<u>81,957</u>
	<u>\$ 13,925,276</u>	<u>\$ 7,090</u>	<u>\$ 13,932,366</u>

The investment agreements are between the Authority and Berkshire Hathaway, Inc. The agreements contain provisions that stipulate in the event Berkshire Hathaway's senior unsecured long-term debt rating by Moody's Investors Service, Inc., falls below A2 for the 1991 Series A Agreement or A3 for other bond programs, the Authority shall have the right to withdraw the investment unless Berkshire Hathaway, Inc., enters into and collateralizes an investment agreement in repurchase format which is in a form and content satisfactory to all parties. The collateral shall be comprised of U.S. Treasury or agency obligations and subject to other conditions as specified in the Agreements. These investments mature after 10 years.

5. Mortgage-Backed Securities:

The GNMA and FNMA mortgage-backed securities have interest rates ranging from 4.75% to 8.00%. These securities are carried on the balance sheet net of deferred revenues in the amount of \$801 and \$1,258 and discounts of \$2,741 and \$4,307 at May 31, 2003 and 2002, respectively. Monthly principal and interest payments from the GNMA and FNMA mortgage-backed securities are guaranteed by GNMA and FNMA. Payments flow through to the holders of the Mortgage Revenue Bonds.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

5. Mortgage-Backed Securities: (Continued)

May 31, 2003

	<u>Amortized Cost</u>	<u>Unrealized Gain (Loss)</u>	<u>Market Value</u>
GNMA Mortgage-backed Securities	\$ 16,860,140	\$ 266,350	\$ 17,126,490
FNMA Mortgage-backed Securities	<u>4,994,763</u>	<u>94,844</u>	<u>5,089,607</u>
	<u>\$ 21,854,903</u>	<u>\$ 361,194</u>	<u>\$ 22,216,097</u>

May 31, 2002

	<u>Amortized Cost</u>	<u>Unrealized Gain (Loss)</u>	<u>Market Value</u>
GNMA Mortgage-backed Securities	\$ 17,076,181	\$(134,102)	\$ 16,942,079
FNMA Mortgage-backed Securities	<u>4,796,834</u>	<u>(40,365)</u>	<u>4,756,469</u>
	<u>\$ 21,873,015</u>	<u>\$(174,467)</u>	<u>\$ 21,698,548</u>

These investments mature after 10 years.

6. Mortgage Loans Receivable:

Mortgage loans are pledged as security on the Mortgage Revenue Refunding Bonds as follows:

	<u>May 31, 2003</u>	<u>May 31, 2002</u>
1992 Series B	\$ 1,002,616	\$ 1,302,280
2002 Series B	3,116,286	3,952,921
Operating Fund	<u>103,047</u>	<u>107,749</u>
	<u>\$ 4,221,949</u>	<u>\$ 5,362,950</u>

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

7. Mortgage Revenue Bonds Payable

Mortgage revenue bonds outstanding are as follows:

	<u>May 31, 2003</u>	<u>May 31, 2002</u>
1989 Series A:		
Current interest bonds, dated December 1, 1989, with a scheduled maturity on June 1, 2021, bearing interest at 7.90% payable monthly	\$ 356,081	\$ 498,842
1991 Series A:		
Current interest bonds, dated May 1, 1991 due June 1, 2012 with scheduled mandatory redemptions, bearing interest at 7.75% payable semiannually on June 1 and December 1	-	2,625,000
Current interest bonds, dated May 1, 1991 due December 1, 2012 with scheduled mandatory redemptions, bearing interest at 7.75% payable semiannually on June 1 and December 1	-	4,375,000
1992 Series B:		
Current interest bonds, dated December 1, 1992 due November 1, 2002 with scheduled mandatory redemptions, bearing interest at 6.375% payable semiannually on May 1 and November 1	-	30,000

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

7. Mortgage Revenue Bonds Payable: (Continued)

	<u>May 31, 2003</u>	<u>May 31, 2002</u>
1992 Series B:		
Current interest bonds, dated December 1, 1992, due November 1, 2012 with scheduled mandatory redemptions, bearing interest at 6.875% payable semiannually on May 1 and November 1	885,000	1,220,000
Compound interest bonds, dated December 1, 1992, due May 1, 2013 bearing interest of 7.256% payable at maturity	-	413,374
1997 Series A:		
Fixed rate bonds, dated April 1, 1997, due April 1, 2032 bearing interest of 6.4% payable semiannually on October 1, and April 1	340,000	422,500
Convertible option bonds, dated April 1, 1997, due April 1, 2032 bearing interest of 6.4% payable semiannually on October 1 and April 1	340,000	422,500
1998 Series A:		
Fixed rate bonds, dated April 1, 1998, due April 1, 2012 bearing interest of 5.55% payable semiannually on October 1 and April 1	2,880,429	3,364,404
Fixed rate bonds, dated April 1, 1998, due April 1, 2024 bearing interest of 4.75% payable semiannually on October 1 and April 1	-	434,117
Fixed rate bonds, dated April 1, 1998, due April 1, 2032 bearing interest of 6.10% payable semiannually on October 1 and April 1	6,271,109	7,085,403

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

7. Mortgage Revenue Bonds Payable: (Continued)

May 31, 2003

May 31, 2002

2000 Series A:

Fixed rate bonds dated April 1, 2000, due April 1, 2031
bearing interest at 7.0% payable semiannually on
April 1 and October 1.

918,982

992,054

Fixed rate bonds dated April 1, 2000, due October 1, 2031
bearing interest at 7.0% payable semiannually on
April 1 and October 1.

2,056,223

2,223,083

Fixed rate bonds dated April 1, 2000, due October 1, 2016
bearing interest at 7.8% payable semiannually on
April 1 and October 1.

-

570,000

2001 Series A:

Fixed note bonds dated April 1, 2001, due October 1, 2016,
bearing interest at 5.2% payable semiannually on
April 1 and October 1.

1,190,000

1,555,000

Fixed rate bonds dated April 1, 2001, due April 1, 2032,
bearing interest at 6.05% payable semiannually on
April 1 and October 1.

4,701,633

4,702,786

Fixed rate bonds dated April 1, 2001, due October 1, 2032,
bearing interest at 5.85% payable semiannually on
April 1 and October 1.

4,255,848

4,597,673

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

7. Mortgage Revenue Bonds Payable: (Continued)

May 31, 2003 May 31, 2002

2002 Series A:

Fixed note bonds dated April 1, 2002, due October 1, 2024, bearing interest at 4.0% until April 1, 2002 and 5.75% thereafter payable semiannually on April 1 and October 1.	3,319,563	3,324,960
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Fixed rate bonds dated April 1, 2002, due April 1, 2033, bearing interest at 4.5% until April 1, 2002 and 6.05% payable semiannually on April 1 and October 1.	3,672,410	3,673,290
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2002 Series B:

Fixed rate bonds dated April 1, 2002, due October 1, 2012, Bearing interest at 5.5% payable semiannually on April 1 and October 1.	<u>3,100,000</u>	<u>3,825,000</u>
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	<u>\$ 34,287,279</u>	<u>\$ 46,354,986</u>
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Debt maturities and sinking fund requirements during each of the five years ended May 31, 2004 through May 31, 2008 and thereafter are as follows:

<u>Ending May 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 1,839,902	\$ 1,931,931	\$ 3,771,833
2005	1,211,744	1,862,821	3,074,565
2006	1,203,707	1,788,643	2,992,350
2007	1,044,001	1,722,920	2,766,921
2008	1,159,703	1,662,915	2,822,618
Thereafter	<u>27,828,222</u>	<u>21,071,192</u>	<u>48,899,414</u>
	<u>\$ 34,289,279</u>	<u>\$ 30,040,422</u>	<u>\$ 64,627,701</u>

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

7. Mortgage Revenue Bonds Payable: (Continued)

The 1991 Series A bonds were redeemed during fiscal year.

The 1992 Series B bonds are subject to redemption at par on certain dates prior to their stated maturities when prepayments of the mortgage loans on deposit in certain redemption accounts equal \$25,000 or more. The current interest bonds maturing on November 1, 2012, and the compound interest bonds are subject to redemption on or after November 1, 2002, at the option of the Authority, at any time from available monies at a redemption price equal to 103% of the principal amount called for redemption. The early call premium is reduced 1% on each subsequent November 1 to a redemption price of 100% of the principal amount so called.

The Series 1997 A bonds are subject to redemption at par at certain dates prior to their stated maturities when prepayments of the mortgage loans are deposited in certain redemption accounts equal \$5,000 or more. The Fixed Rate Bonds bear a stated annual interest of 6.40%. The Convertible Option Bonds bear an annual interest for a 60-day tax-exempt commercial paper published that day or 60% of the bond equivalent rate for a 91-day United States Treasury Bill. The Bonds are subject to redemption on or after April 1, 2007, at the option of the Authority, at any time from available monies at a redemption price equal to 102% of the principal amount called for redemption. The early call premium is reduced by 1% on each subsequent April 1 to a redemption price of 100% of the principal amount so called.

The 1998 Series A bonds are subject to redemption at par at certain dates prior to their stated maturities when prepayments of the mortgage bonds on deposit in certain redemption accounts equal \$5,000 or more. The bonds bear stated annual interest ranging from 4.75% to 6.10%. The bonds are subject to redemption, at the option and direction of the Authority, on or after April 1, 2008, at any time from available monies at redemption prices equal to 105% of the principal amount called for redemption on the 2032 bonds and 102% of the principal amount called for redemption on the 2012 and 2024 bonds.

The 2000 Series A Bonds are subject to redemption at par at certain dates prior to their stated maturities when prepayments of the mortgage bonds on deposit in certain redemption accounts equal \$5,000 or more. The bonds bear stated annual interest ranging from 7.0% to 7.8%. The bonds are subject to redemption, at the option and direction of the Authority, on or after April 1, 2010, at any time from available monies at a redemption price of 105% of the principal amount called. The early call premium is reduced 1% on each subsequent April 1 to a redemption price of 100% of the principal amount so called.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

7. Mortgage Revenue Bonds Payable: (Continued)

The 2001 Series A issue consists of \$1,555,000 in Program Bonds and \$8,810,000 in Premium Term Bonds. The Program Bonds are subject to redemption at par and the Premium Term Bonds are subject to redemption at 105% of the principal amount at certain dates prior to their stated maturities when prepayments of the mortgage bonds on deposit in certain redemption accounts equal \$5,000 or more. The bonds bear stated annual interest ranging from 5.2% to 6.05%. The bonds are subject to redemption, at the option and direction of the Authority, on or after April 1, 2011, in whole or part at any time from available monies. Bonds maturing on October 1, 2016, are subject to optional redemption on or after April 1, 2011, at a redemption price of 103% of the principal amount called. Bonds maturing April 1, 2032, and October 1, 2032, are subject to optional redemption on or after April 1, 2011, at a redemption price of 105% of the principal amount called. The early call premium is reduced 1% on each subsequent April 1 to a redemption price of 100% of the principal amount so called.

The 2002 Series A Bonds are subject to redemption at par at certain dates prior to their stated maturities, in part randomly by payment of sinking fund installments beginning on April 1, 2004. The bonds bear stated annual interest ranging from 4.0% to 4.5% until April 1, 2003, then from 5.75% to 6.05% thereafter. The bonds are subject to redemption, at the option and direction of the Authority, on or after April 1, 2012, at any time from available monies at a redemption price of 105% of the principal amount called. The early call premium is reduced 1% on each subsequent April 1 to a redemption price of 100% of the principal amount so called. The proceeds from these bonds are to be transferred to the 1991 Bond trustee to pay a portion of the principal redemption price of the 1991 bonds on July 1, 2002 in the amount of \$6,998,250.

The 2002 Series B Bonds are subject to mandatory redemption in part on April 1 and October 1 of each year, commencing October 1, 2002, at a redemption price equal to 100% of the principal amount thereof, together with interest accrued thereon to the redemption date through October 1, 2012. The bonds bear a stated annual interest of 5.5%. These bond proceeds were used to purchase all of the outstanding mortgage loan receivables held under the 1991 Indenture.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2003 and 2002

8. Revenue Bonds Payable:

The revenue bond issues include a covenant which provides that the bonds are payable solely from payments made by the lessor or owner of the project financed by the bond proceeds. The Authority is under no obligation to pay the bonds from any other source. In accordance with industry standards, the debt and related capital leases are not recorded in the financial statements. The projects and related balances of the debt are as follows:

	<u>May 31, 2003</u>	<u>May 31, 2002</u>
Industrial Development:		
1994 Series (PPG Industries, Inc. Project)	\$ 7,300,000	\$ 7,300,000
1997 Series A (WPT Corporation Project)	10,889,000	10,889,000
2001 Series (Groth Equipment Corporation Project)	910,000	1,000,000
Other:		
2001 Series (McNeese State Univeristy Student Housing-Cowboy Facilities Inc. Project)	<u>21,120,000</u>	<u>21,120,000</u>
	<u>\$ 40,219,000</u>	<u>\$ 40,309,000</u>

9. Related Party Transactions:

The members of the Authority's Board of Trustees receive a per diem payment for each meeting attended and are reimbursed for actual expenses incurred in their capacity as trustees of the Authority. The following payments were made to the members of the Board of Trustees for per diem:

	<u>May 31, 2003</u>	<u>May 31, 2002</u>
Francis Bellows	\$ 450	\$ 400
Harry Broussard	200	400
Herman Busch	550	600
Tim Castle	600	600
Doug Hinchee	200	-
Robert Jones	550	550
John Nash	550	550
Alvin Stevens	600	600
Angie Wood	550	500
Ken Broussard	<u>450</u>	<u>500</u>
	<u>\$ 5,637</u>	<u>\$ 4,700</u>

SUPPLEMENTAL INFORMATION

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Schedule of Assets, Liabilities, and Net Assets by Fund

See Accompanying Independent Auditors' Report

May 31, 2003

Assets	1989 Bond Fund	1991 Bond Fund	1992 Bond Fund	1997 Bond Fund	1998 Bond Fund	2000 Bond Fund	2001 Bond Fund	2002A Bond Fund	2002B Bond Fund	Operating Fund	Combined Totals
Cash and cash equivalents	\$ 3,249	\$ 19,018	\$ 2,187	\$ 1,001	\$ 999	\$ 10,715	\$ 86,732	\$ 4,503	\$ 53,645	\$ 1,556,487	\$ 1,738,535
Investment securities at fair value	-	-	319,679	103,413	797,825	54,149	2,330,349	5,901,130	439,190	712,215	10,657,950
Mortgage loans receivable and mortgage-backed securities	349,077	-	1,002,616	730,347	8,781,651	2,910,204	7,818,598	1,229,453	3,116,286	138,620	26,076,852
Accrued interest receivable	2,337	1	3,623	5,277	23,837	5,674	19,960	6,343	5,874	9,469	82,395
Real estate acquired from foreclosures	-	52,637	-	-	-	-	-	-	-	-	52,637
Bond issuance costs	4,736	-	15,125	10,707	130,358	8,026	167,965	173,837	67,311	-	578,064
Other assets	-	(5,434)	5,434	-	-	-	1,868	-	-	6,040	7,908
Total assets	\$ 359,399	\$ 66,221	\$ 1,348,664	\$ 850,745	\$ 9,734,671	\$ 2,988,767	\$ 10,425,471	\$ 7,315,266	\$ 3,682,306	\$ 2,422,830	\$ 39,194,340

Liabilities and Net Assets

Liabilities:											
Accounts payable	\$ 30	\$ -	\$ 143	\$ 311	\$ 4,794	\$ 3	\$ 966	\$ -	\$ 346	\$ 2,060	\$ 8,653
Bonds payable	356,081	-	885,000	680,000	9,151,538	2,975,205	10,147,482	6,991,973	3,100,000	-	34,287,279
Accrued interest payable	2,345	-	5,001	3,577	86,790	32,219	93,134	64,724	28,027	-	315,817
Total liabilities	358,456	-	890,144	683,888	9,243,122	3,007,427	10,241,582	7,056,697	3,128,374	2,060	34,611,749
Net Assets:											
Restricted for debt	943	66,221	458,520	166,857	491,549	(18,660)	183,890	258,570	553,932	-	2,161,821
Unrestricted	-	-	-	-	-	-	-	-	-	2,420,770	2,420,770
Total net assets	943	66,221	458,520	166,857	491,549	(18,660)	183,890	258,570	553,932	2,420,770	4,582,591
Total liabilities and net assets	\$ 359,399	\$ 66,221	\$ 1,348,664	\$ 850,745	\$ 9,734,671	\$ 2,988,767	\$ 10,425,471	\$ 7,315,266	\$ 3,682,306	\$ 2,422,830	\$ 39,194,340

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Schedule of Revenues, Expenses
and Changes in Net Assets by Fund

See Accompanying Independent Auditors' Report

For the Year Ended May 31, 2003

	1989 Bond Fund	1991 Bond Fund	1992 Bond Fund	1997 Bond Fund	1998 Bond Fund	2000 Bond Fund	2001 Bond Fund	2002A Bond Fund	2002B Bond Fund	Operating Fund	Eliminating Entries	Combined Totals
Operating revenues:												
Investment income on mortgage loans	\$ 37,766	\$ -	\$ 95,095	\$ 34,020	\$ 475,554	\$ 210,511	\$ 413,180	\$ 23,623	\$ 324,872	\$ 10,498	\$ -	\$ 1,625,119
Investment income on investments	68	5,208	24,151	31,595	139,200	9,111	89,670	118,656	25,361	48,045		491,066
Commitment fees	-	-	-	-	-	-	-	-	-	242,758	(157,593)	85,165
Gain on sale of mortgage loans	-	-	-	-	-	-	-	-	4,271	-	-	4,271
Total operating revenues	37,834	5,208	119,246	65,616	614,754	219,622	502,850	142,279	354,505	301,301	(157,593)	2,205,622
Operating expenses:												
Interest on debt	34,739	183,224	86,037	50,119	460,597	225,525	576,032	294,537	195,466	-	-	2,106,277
Amortization of bond issuance costs and other costs	1,801	39,530	6,579	2,598	44,518	(543)	11,139	3,145	15,502	-	-	124,267
Servicing fees	226	(506)	5,444	-	-	-	-	-	15,426	-	-	20,589
Mortgage loan insurance costs	-	-	2,356	-	-	-	-	-	6,107	751	-	9,213
Trustee fees	226	2,199	2,313	587	4,230	1,445	4,197	7,654	4,015	10,051	-	36,916
Accounting and auditing fees	-	-	-	-	-	-	-	-	-	21,595	-	21,595
Depreciation expense	-	-	-	-	-	-	-	-	-	289	-	289
Other operating expenses	1,038	3,758	1,094	4,663	63,745	6,480	13,311	21,746	172,318	44,484	(157,593)	175,047
Total operating expenses	38,030	228,205	103,823	57,967	573,090	232,907	604,678	327,083	408,833	77,170	(157,593)	2,494,194
Change in Net Assets	\$ (196)	\$ (222,997)	\$ 15,423	\$ 7,649	\$ 41,664	\$ (13,285)	\$ (101,829)	\$ (184,803)	\$ (54,328)	\$ 224,130	\$ -	\$ (288,572)

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Schedule of Fund Equity by Fund

See Accompanying Independent Auditors' Report

For the Year Ended May 31, 2003

	1989 Bond Fund	1991 Bond Fund	1992 Bond Fund	1997 Bond Fund	1998 Bond Fund	2000 Bond Fund	2001 Bond Fund	2002A Bond Fund	2002B Bond Fund	Operating Fund	Combined Totals
Retained Earnings:											
Balance at beginning of year	1,139	2,359,098	(35,732)	(40,792)	202,865	(54,382)	(125,398)	(6,260)	21,231	151,271	2,473,040
Change in net assets	(196)	(222,997)	15,423	7,649	41,664	(13,285)	(101,829)	(184,803)	(54,328)	224,130	(288,572)
Balance at end of year	943	2,136,101	(20,309)	(33,143)	244,529	(67,667)	(227,227)	(191,063)	(33,097)	375,401	2,184,468
Additional Paid-in Capital											
Balance at beginning of year	-	(9,525,821)	52,996	200,000	247,020	49,008	413,137	9,624,962	690,204	646,617	2,398,123
Transfers from other funds	-	7,463,845	425,832	-	-	-	-	2,021	7,904	1,398,752	9,298,353
Transfers to other funds	-	(7,904)	-	-	-	(1)	(2,020)	(9,177,350)	(111,078)	-	(9,298,353)
Balance at end of year	-	(2,069,880)	478,829	200,000	247,020	49,007	411,117	449,633	587,029	2,045,369	2,398,123
Total Fund Equity	943	66,221	458,520	166,857	491,549	(18,660)	183,890	258,570	553,932	2,420,770	4,582,591
Fund equity reserved under provisions of bond indentures	(943)	(66,221)	(458,520)	(166,857)	(491,549)	18,660	(183,890)	(258,570)	(553,932)	-	(2,161,821)
FUND EQUITY, unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,420,770	\$ 2,420,770

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Schedule of Cash Flows By Fund

See Accompanying Independent Auditors' Report

For the Year Ended May 31, 2003

	Assets											
	1989 Bond Fund	1991 Bond Fund	1992 Bond Fund	1997 Bond Fund	1998 Bond Fund	2000 Bond Fund	2001 Bond Fund	2002A Bond Fund	2002B Bond Fund	Operating Fund	Combined Totals	
Cash Flows From Operating Activities:												
Change in net assets:												
Adjustments to reconcile to net cash provided by (used in) operating activities:												
Amortization, net of accretion	(4,159)	39,530	12,538	2,598	(67,869)	(10,476)	(6,859)	(3,132)	15,501	-	(22,328)	
Net recovery from foreclosures	-	-	-	-	-	-	-	-	-	-	-	
Depreciation expense	-	-	-	-	-	-	-	-	-	289	289	
Net changes in:												
Accrued interest receivable	981	11,076	1,173	(3,424)	(115)	478	3,354	(107)	(5,781)	(4,125)	3,510	
Accounts payable	(13)	(7,684)	(1,902)	311	4,792	-	934	-	346	(1,899)	(5,115)	
Accrued interest payable	(942)	(271,250)	(2,050)	(868)	(12,899)	(10,541)	(7,626)	52,227	19,261	-	(234,688)	
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(4,329)	(451,325)	25,182	6,266	(34,427)	(33,824)	(112,026)	(135,815)	(25,001)	218,395	(546,904)	
Cash Flows From Financing Activities:												
Proceeds from issuance of bonds	-	-	-	-	-	-	-	-	-	-	-	
Principal payments on bonds	(142,761)	(7,000,000)	(778,374)	(165,000)	(1,620,000)	(800,000)	(670,000)	-	(725,000)	-	(11,901,135)	
Deferred financing costs	-	7,455,942	425,833	(447)	(5,805)	(2,748)	(25,736)	(9,175,328)	(103,175)	1,403,580	(27,884)	
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(142,761)	455,942	(352,541)	(165,447)	(1,625,805)	(802,748)	(695,736)	(9,175,328)	(828,175)	1,403,580	(11,929,019)	
Cash Flows From Investing Activities:												
Collections of mortgage loans receivable	-	-	299,664	-	-	-	-	-	3,952,921	4,702	4,257,287	
Proceeds from sales of other real estate	-	-	-	-	-	-	-	-	-	-	-	
Proceeds from investment securities maturities	145,268	-	882,180	457,872	4,272,950	3,131,388	5,073,859	2,766,711	1,611,358	372,973	18,714,559	
Purchases of investment securities	-	-	(852,298)	(297,689)	(2,611,719)	(2,295,663)	(4,332,852)	(2,739,043)	(4,875,905)	(534,277)	(18,539,446)	
NET CASH PROVIDED BY INVESTING ACTIVITIES	145,268	-	329,546	160,182	1,661,231	835,725	741,007	27,667	688,374	(156,602)	4,432,400	
Net increase (decrease) in cash	(1,822)	4,617	2,187	1,001	999	(848)	(66,755)	(9,283,476)	(164,802)	1,465,373	(8,043,523)	
Cash and cash equivalents, beginning of year	5,071	14,401	-	-	-	11,563	153,487	9,287,979	218,447	91,110	9,782,058	
Cash and cash equivalents, end of year	\$ 3,249	\$ 19,018	\$ 2,187	\$ 1,001	\$ 999	\$ 10,715	\$ 86,732	\$ 4,503	\$ 53,645	\$ 1,556,483	\$ 1,738,535	

Supplemental Disclosure: Cash paid for bond interest was \$2,340,965 and \$2,418,101 in 2003 and 2002, respectively.



Langley, Williams & Company, L.L.C.

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SEC PRACTICE SECTION
OF AICPA

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
Calcasieu Parish Public Trust Authority
Lake Charles, LA

We have audited the financial statements of the Calcasieu Parish Public Trust Authority as of and for the years ended May 31, 2003 and 2002, and have issued our report thereon dated November 14, 2003. We conducted our audit in accordance with generally accepted auditing standards of the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

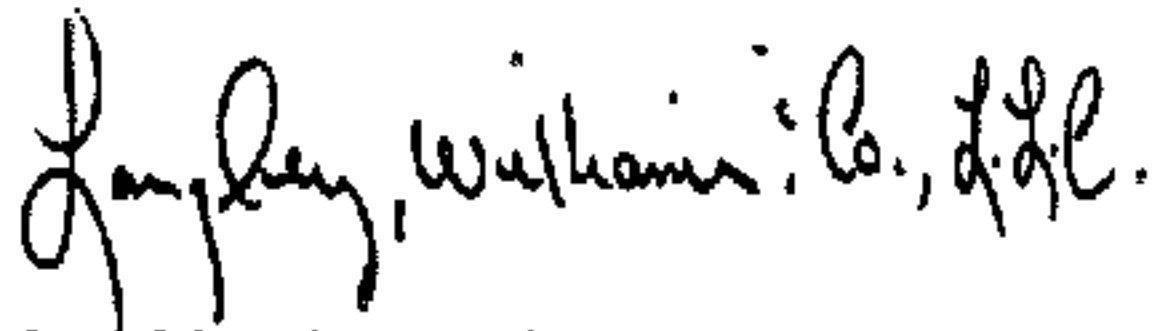
As part of obtaining reasonable assurance about whether the Calcasieu Parish Public Trust Authority's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Calcasieu Parish Public Trust Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

To the Board of Trustees
Calcasieu Parish Public Trust Authority
Page 2

This report is intended for the information of the audit committee, management, the Calcasieu Parish Police Jury, and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Langley, William B., L.L.C.".

Lake Charles, LA
November 14, 2003

Calcasieu Parish Public Trust Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

May 31, 2003

We have audited the general purpose financial statements of Calcasieu Parish Public Trust Authority, as of and for the year ended May 31, 2003 and have issued our report thereon dated November 14, 2003. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of May 31, 2003 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

Report on Internal Control and Compliance Material to the General Purpose Financial Statements

Internal Control:

Material Weaknesses

☐ Yes x No

Reportable Conditions

☐ Yes x No

Compliance:

Compliance Material to

General Purpose Financial Statements

☐ Yes x No

Section II Financial Statement Findings

NONE.

Section III Federal Award Findings and Questioned Costs

NOT APPLICABLE.

Calcasieu Parish Public Trust Authority
SCHEDULE OF PRIOR YEAR FINDINGS

May 31, 2003

2002-01

Finding. There were a significant number of audit adjustments made and the financial records were not timely prepared.

Recommendation. The board should oversee the accounting function to insure accuracy and timeliness of preparation of the financial records.

Current Year Status. The board appointed one of its members, who is a certified public accountant, as an advisor to the Audit Committee. This advisor reviewed the financial records on a quarterly basis and reported directly to the full board. The bookkeeping service submitted quarterly financial records to the board within 60 days of each quarter and within 90 days of year-end.

[This form is an unaudited informational document
prepared by management of the agency.]

LEGISLATIVE AUDITOR
BATON ROUGE LA 70804

DATA COLLECTION FORM

FOR REPORTING ON STATE AND LOCAL GOVERNMENT AND QUASI-PUBLIC ENTITIES

OMB Form 0348-0057 may be used as a substitute for this form.

Date Submitted 11/26/2003

RETURN to: Legislative Auditor
Attn: Engagement Processing
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

1. Fiscal Year Ending Date For This Submission:
5/31/2003

3. Audit Period Covered

☒ Annual ☐ Biennial
☐ Other to

2. Type of Report:

☐ Single Audit ☒ GAO Audit Standards Audit
☐ Compilation ☐ Compilation/Attestation
☐ Program Audit ☐ Other

4. AUDITEE INFORMATION

Auditee Name

Calcasieu Parish Public Trust Authority

Street Address (Number and Street)

1015 Pithon Street

Mailing Address (PO No.)

City State Zip
Lake Charles LA 70601

Auditee Contact

Name Title: Director of Finance
Jerry Milner Calcasieu Parish Police Jury

Telephone Fax

(337) 721-3500

Email (Optional)

5. AUDITOR INFORMATION

Firm Name

Langley, Williams & Co. L.L.C.

Street Address (Number and Street)

205 W. College Street

Mailing Address (PO No.)

City State Zip
Lake Charles LA 70605

Auditor Contact

Name Title
Daphne B. Clark Partner

Telephone Fax

(337)-477-2827

Email (Optional)

Daphne.cpa@xspedius.net

Component Units Included Within the Report and for Which No Separate Report Will Be Issued:

If there are no modifications to the auditor's financial opinion, no reported deficiencies in internal control, no reported instances of noncompliance, and no management letter, check this box and do not complete the rest of the form. ☐

6. FINANCIAL STATEMENTS

- a. Type of audit report on financial statements. ☐ Not Applicable
☒ Unqualified Opinion ☐ Qualified Opinion ☐ Adverse Opinion ☐ Disclaimer of Opinion
b. Is a 'going concern' explanatory paragraph included in the audit report? ☐ Yes ☒ No
c. Do any of the funds have deficit balances? ☐ Yes ☒ No

7. INTERNAL CONTROL

Do the comments on internal control include: ☐ material weaknesses ☐ other conditions

8. COMPLIANCE

Do the comments on compliance include: ☐ criminal acts/fraud & abuse ☐ other noncompliance ☐ not applicable

9. CURRENT YEAR MANAGEMENT LETTER (Finding Caption and No.)

Resolved ☐ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable

10. SCHEDULE OF CURRENT YEAR FINDINGS/QUESTIONED COSTS (Finding Caption and No.)

\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable

Do any findings address nepotism, ethics violations or related party transactions? ☐ Yes ☐ No

Do any findings address violation of bond indenture covenants? ☐ Yes ☐ No

11. SCHEDULE OF PRIOR YEAR FINDINGS/QUESTIONED COSTS/MANAGEMENT LETTER COMMENTS

(Finding/Comment Caption and No.)

2002-01 Resolved ☒ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable

AUDITEE SIGNATURE

Jerry M. Milner

Date 11/24/2003

CPA'S SIGNATURE

Daphne B. Clark

Date 11/25/2003